

COUNCIL PRESIDENT SCOTT H. PETERS

CITY OF SAN DIEGO

February 7, 2006

Honorable Kim Malcolm Administrative Law Judge California Public Utilities Commission 505 Van Ness Avenue Room 5118 San Francisco, CA 94102

RE: Application Number 05-12-014, San Diego Gas and Electric Co.

Dear Honorable Judge Malcolm,

I am writing to express my concern regarding the application of San Diego Gas and Electric Company ("SDG&E") for a Certificate of Public Convenience and Necessity for the Sunrise Powerlink Transmission Project, and the many serious and unanswered questions it raises.

Alternatives

Throughout its public information process, SDG&E has given information to community members, elected officials and stakeholders to demonstrate the Sunrise Powerlink Transmission Project's necessity. I understand SDG&E's interests in future reliability, costs and renewable energy. However, after observing the public dialogue in the past months I do not believe that SDG&E has yet demonstrated either the need for power from the facility or the consistency of this proposal with the Regional Energy Strategy. I believe these issues have been addressed in the comments offered previously by Supervisor Dianne Jacob, whose concerns I share.

Moreover, I understand that the original alignment proposed by SDG&E to the north would be less costly for ratepayers and have fewer impacts on neighborhoods. I publicly supported the Valley-Rainbow Interconnect Project from southwestern Riverside County to northern San Diego County. It is clear to me that the Valley-Rainbow alignment remains superior to the Sunrise Powerlink project for ratepayers and residents. Since Valley-Rainbow serves the same objectives as the Sunrise Powerlink at lower cost and with fewer harmful impacts, I request the Commission reconsider its previous rejection of the Valley-Rainbow project.

Honorable Kim Malcolm February 6, 2006 Page 2

Property Values

The proposed Sunrise Powerlink Transmission Project would place 150-foot tall poles within 100 feet of homes. In some cases poles and power lines would be installed in neighborhoods where none have previously existed, potentially destroying the character of those communities.

I am unaware of any efforts or commitments by SDG&E to avoid or minimize these impacts. It is a priority for me that these community concerns be better addressed and that attempts are made to avoid or minimize the risk of property value decline in these communities. After observing the discourse between community members, experts and SDG&E, I believe that more can be done to eliminate or minimize these adverse impacts.

I cannot support this or any proposal until each and every one of these critical issues has been addressed and until I am convinced that neighborhood impacts have been eliminated or absolutely minimized. I will continue to carefully monitor SDG&E's Sunrise Powerlink Transmission Project and urge you to carefully consider community concerns about the project. Thank you for your time and consideration. Please contact my office with any questions or concerns.

Sincerely,

Scott H. Peters